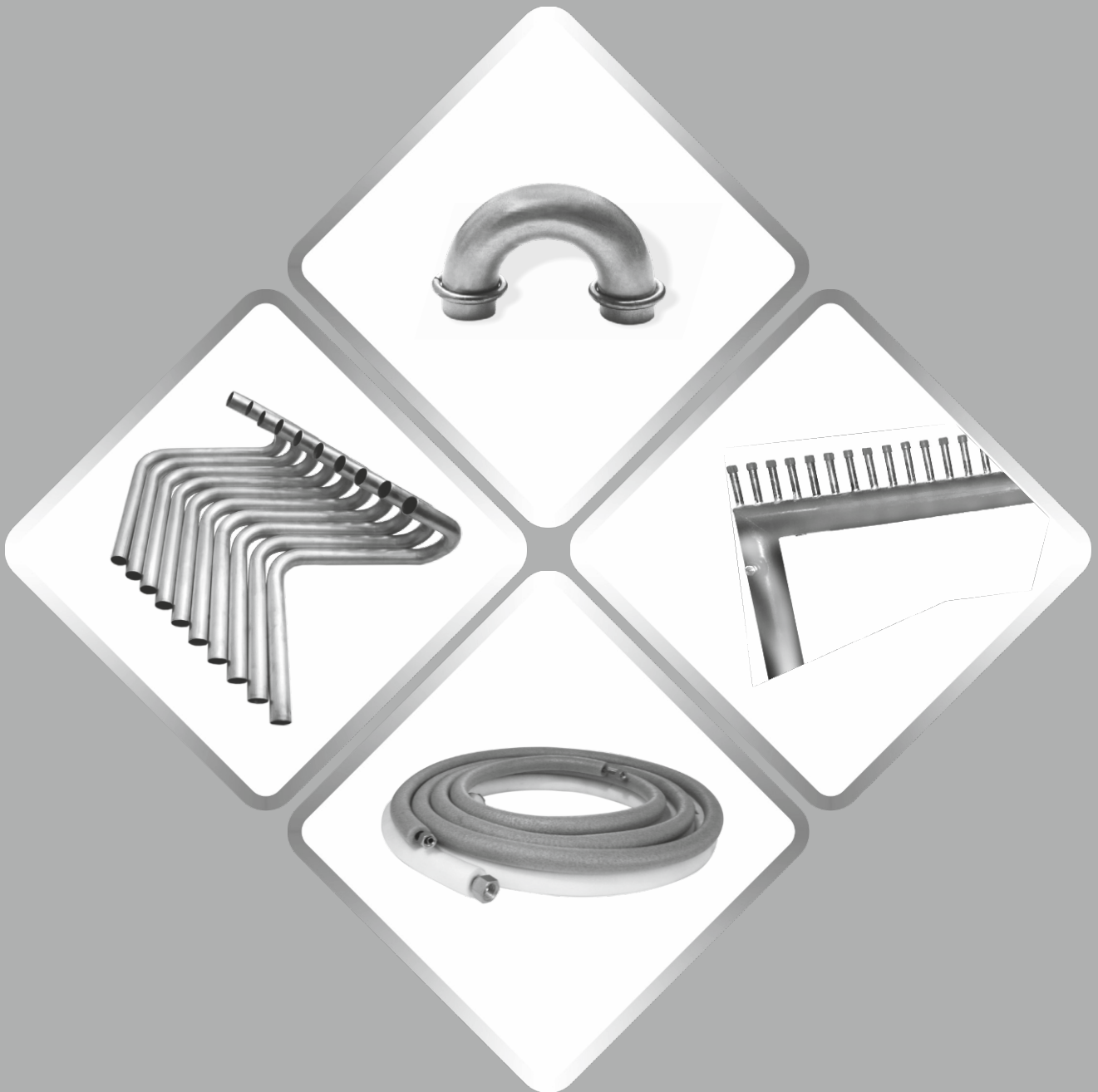




**A.B.C. Gas International Ltd.**



**THIRTY SIXTH  
ANNUAL REPORT  
2015-16**

# ABC GAS (INTERNATIONL) LTD

## BOARD OF DIRECTORS

S. P. Shorewala	Chairman
Satish Shorewala	Managing Director
Rohith Shorewala	Whole Time Director
C. P. Singhania	Independent Director
Dr. Paras Gandhi	Independent Director
A.S.Ganeriwal	Independent Director
Neelam Shorewala	Woman Director

## KEY MANAGERIAL PERSONNEL

Mr. Manohar Shetage, Chief Financial Officer

## REGISTERED OFFICE

1, Mahesh Villa, B. G. Kher Road, Worli, Mumbai - 400 018

## BANKER

HDFC Bank Ltd.  
Axis Bank Ltd.  
IDBI Bank Ltd.  
Punjab National Bank Ltd.  
State Bank Of India.

## STATUTORY AUDITORS:

Bhuwania & Agrawal Associates  
Chartered Accountants  
503/505 J.S. Seth Road,  
Chira Bazar, Mumbai - 400 002.

## SECRETARIAL AUDITOR:

M/s. Anish Gupta & Associates  
Company Secretary  
413, Autumn Gruve, Opp. Lokhandwala School,  
Lokhandwala Township,  
Kandivali (East), Mumbai- 400101.

## REGISTRAR & SHARE TRANSFER AGENT

Sharex Dynamic (India) Private Limited,  
Unit 1, Luthra Industries Premisess,  
Andheri -Kurla Road, Safed Pool,  
Andheri ( E ),Mumbai - 400 072

Contents	Page No.
Notice	1
Directors' Report	8
Secretarial Auditors Report with Annexure I	14
Management Discussion & Analysis	25
Independent Auditors' Report	26
Balance Sheet	32
Profit & Loss Account	33
Cash Flow Statement	34
Notes Forming Part of the Financial Statements	35
Attendance Slip and Proxy Form	45
Route Map	49

## **NOTICE TO MEMBERS**

Notice is hereby given that the Thirty Sixth Annual General Meeting of the members of **ABC GAS (INTERNATIONAL) LIMITED** will be held on Saturday the 24<sup>th</sup> day of September, 2016 at 3:00 p.m at 1 Mahesh Villa, Worli, Mumbai – 400 018 to transact the following business as:

### **ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year March 31, 2016 together Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Neelam Shorewala (DIN: 01637681) who retires by rotation and being eligible offers herself for re-appointment.
3. To ratify the appointment of auditors of the company and to fix their remuneration and to pass resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139 (2) and 142(1) of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the reappointment of the statutory auditors of company M/s Bhuwania & Agrawal Associates (Registration No : 101483W), Chartered Accountants, be and is hereby ratified by the members of the company for the financial year 2016-2017 at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors, based on the recommendation of the Audit Committee, plus applicable service tax and reimbursement of travelling and other incidental expenses to be incurred by them in the course of their audit.”

### **SPECIAL BUSINESS:**

4. To Re-appoint Mr. Satish Shorewala (DIN: 00055358) as the Managing Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Ordinary Resolution:

“**RESOLVED THAT** pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for time being in force), subject to such further approvals as may be necessary, consent of the members be and is hereby accorded for the reappointment of Mr. Satish Shorewala (DIN: 00055358) as the Managing Director of the Company with effect from 01<sup>st</sup> August, 2016 for the term of 3 years on such remuneration and terms and conditions as per the terms of his appointment.

**RESOLVED FURTHER THAT** in the event of absence of or inadequacy of profit in any Financial Year during the tenure of the Managing Director the remuneration shall be governed as provided under Section II of Part II of Schedule V to the Companies Act, 2013 and any excess payment in this regard will be recovered by the Company.

**RESOLVED FURTHER THAT** he is appointed as a Managing Director on Board liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do and perform or cause to be done and performed, all such acts and deeds necessary to give effect to the foregoing resolution, including inter alia, approving on behalf of the Company, any changes or modifications in the aforesaid Agreement from time to time.”

By order of the Board  
**For ABC Gas (International) Ltd.**

**S.P. Shorewala**  
**Chairman**  
**DIN:-00088077**

Date:-13.08.2016

Place:-Mumbai

### **Registered Office:**

1 Mahesh Villa, B.G. Kher Road,  
Worli, Mumbai - 400 018

**Notes:**

1. Explanatory statement pursuant to Section 102(1) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder with respect to Special Business set out in the Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FOR HOLDING THE MEETING.  
  
Proxy/Proxies submitted on behalf of limited Companies, etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) members and holding in the aggregate not more than ten (10) per cent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Only registered Members of the Company or any proxy appointed by such registered Member may attend and vote at the Meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/she can participate in the Meeting but shall not have a right to vote.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 23<sup>rd</sup> September, 2016 to Saturday, 24<sup>th</sup> September 2016 (both days inclusive) for the purpose of Annual General Meeting.
5. Duly executed and stamped transfer deeds, along with the share certificates, should be submitted to the Company's Registrar and Share Transfer Agents before the closure of the Register of Members for registration.
6. Corporate Members are requested to send a duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013/ Power of Attorney authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. Members holding shares in physical form and wishing to make / change in a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may submit the prescribed particulars in Form No. SH-13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), to the Company.
8. The Company has entered into necessary arrangement with Central Depository Services (India) Limited (CDSL) to enable the Shareholders to dematerialize their shareholding in the Company for which they may contact the Depository Participant.
9. Electronic copy of the Annual Report, Notice of the Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
10. In view of Go Green initiative being undertaken by the Company, Members who have not yet registered their e-mail address so far are requested to register/update their e-mail addresses with the Company's RTA or with the Company. Shareholders holding shares in dematerialized form are requested to register their e-mail addresses and changes therein with the concerned Depositories through their Depository Participant.
11. Members are requested to bring their copy of Annual Report to the Meeting. A member desirous of getting any information with regard to Accounts of the Company is requested to send the queries to the Company at least 10 days before the meeting to the Company Secretary at the Registered Office of the Company.

12. Members are requested to mention their Folio Number/ Client ID/DP ID Number (in case of shares held in dematerialized form) in all their correspondence with the Company / Depository Participant in order to facilitate response to their queries promptly.
13. Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission at the entrance to the place of the meeting.
14. Members who are holding shares of the Company in physical form through multiple folios in identical order of names are requested to write to the Company, enclosing their share certificates, to enable the Company to consolidate their holdings in one folio.
15. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote, whether in person or by proxy.
16. Members are requested to contact the Company's RTA for reply to their queries/redressal of complaints.

**17. Details of Director Seeking Re-Appointment/Appointment at the Annual General Meeting**

Name	Mrs. Neelam Shorewala	Mr. Satish Shorewala
Date of Birth	16/08/1958	24/03/1957
Directors Identification Number (DIN)	01637681	00055358
Age	57	59
Qualification	B.A	B.A
Expertise in Specific Area	Marketing	Marketing
Date of first Appointment on board of the Company	30/03/2015	01/04/2008
Shareholding in ABC Gas International Limited	89400	97200
List of Directorship held in other companies	ABC TUBE INDUSTRIES LTD.	1. DELTA PIPE FITTINGS PRIVATE LIMITED
		2. ABC TUBE INDUSTRIES LIMITED
Membership/Chairmanships of Audit and stakeholders relationship committees	NO	TWO

18. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules made thereunder will be available for inspection by the members at the Meeting.
19. The relevant documents referred to in this Notice and Explanatory Statement are open for inspection at the Meeting and such documents will also be available for inspection in physical or in electronic form at the registered office and copies thereof shall also be available for inspection in physical or electronic form at the registered office from the date of dispatch of the Notice till the date of the Meeting on all working days, from 10 a.m to 12:00 noon, except Saturdays.

**20. Voting through electronic means:**

- i. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration)

Amendment Rules, 2015 w.e.f. 19<sup>th</sup> March, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), 2015 and Secretarial Standard on General Meetings (SS2) issued by Institute of Company Secretary of India, the Company is pleased to provide to the members the facility of voting by electronic means in respect of business to be transacted at the Meeting which includes the facility of casting the votes by the Members using an electronic voting system from a place other than venue of the Meeting ("remote e-voting") and the same will be provided by Central Depository Services (India) Limited (CDSL).

- ii. The facility of voting through ballot or polling paper shall also be made available for the members at the Meeting who have not been able to vote electronically and who are attending the Meeting. The members who have cast their vote electronically would be entitled to attend the Meeting but would not be permitted to cast their vote again at the Meeting. The facility to vote by electronic voting system will not be provided at the Meeting.
- iii. The remote e-voting period commences on Wednesday, 21<sup>st</sup> September, 2016 (9.00 A.M. IST) and ends on Friday, 23<sup>rd</sup> September, 2016 (5.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e 17<sup>th</sup> September, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting on Friday, 23<sup>rd</sup> September 2016 after 5.00 P.M. IST. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently.
- iv. The company has appointed Mr. Anish Gupta, Company Secretary in whole time practice as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 21<sup>st</sup> September, 2016 at 9:00 a.m and ends on 23<sup>rd</sup> September, 2016 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17<sup>th</sup> September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to 'use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> </ul>

	<ul style="list-style-type: none"> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter <b>the number of shares held by you as on the cut off date</b> in the <b>Dividend Bank details field</b>.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user should be created using the admin

login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013**

### **ITEM NO: 4**

The Board of Directors in their meeting held on 13th August, 2016 reappointed of Mr. Satish Shorewala (DIN: 00055358) as the Managing Director of the Company for a period of 3 years from 1st August, 2016, subject to approval by the shareholders of the Company under Schedule V of the Companies Act, 2013.

The Nomination and Remuneration Committee and the Board of Directors have also recommended his re-appointment as the Managing Director.

The duties of the Managing Director shall be subject to the superintendence, control and direction of the Board and he shall perform on behalf of the company, all such acts, deeds, and things, which in the ordinary course of business, he may consider necessary or proper or in the interest of the company.

The Board has also, subject to approval of the shareholders, has fixed the remuneration/ perquisites/ benefits payable to Mr. Satish Shorewala, Managing Director from 1st August, 2016 shall be as under:

#### **Terms & Conditions**

- 1) Designation: Managing Director
- 2) Term: 3 years with effect from 01st August, 2016
- 3) Salary: Upto Rs. 2,00,000 (Rupees Two Lakh) per month, however the Board of Directors has the liberty to decide the remuneration to be paid within the limit so approved by the members and other perquisites pursuant to the provisions of section 196, 197, 203 and Schedule V of the Companies Act, 2013 and the Rules made there under and the Articles of Association of the Company.
- 4) Perquisites:
  - I. Perquisites include House Rent Allowance, Car, Electricity, Medical Expenses reimbursement for self and family, Leave Travel Concession for self and family, club fees, medical insurance etc., limited to actuals or the Annual Salary whichever is less.
  - II. Provision of car for use on Company's business and telephone at residence will not be considered perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company.
  - III. Company's Contribution to the Provident Fund, Gratuity and encashment of leave as per the rules of the Company and the same shall not be in the perquisites as aforesaid.

In the event of absence of or inadequacy of Profit in any Financial Year during the tenure, the remuneration shall be governed as provided under Section II of Part II of Schedule V to the Companies Act, 2013.

The Board of Directors be and hereby authorised to alter and vary the terms and conditions and grant increment(s) and other perquisites to respective individuals so as not to exceed the maximum limits for the payment of remuneration specified in Schedule V to the Companies Act, 2013 or any amendments thereto, as may be agreed to between the Board of Directors and the respective directors.

Further he has been appointed as a Director on Board liable to retire by rotation.

The above mentioned explanatory statement read together with the resolutions specified under **SPECIAL BUSINESS** as item no. 4 of the Notice convening the Annual General Meeting may be considered as an abstract, under section 102 of the Companies Act, 2013, of the terms of revised remuneration and perquisites payable to the aforesaid Managing Director with effect from 1st August, 2016.

The appointment of Mr. Satish Shorewala requires the approval of the members in the general meeting under the provisions of the Companies Act, 2013 and therefore, it is commended to pass the proposed resolution as a Special Resolution.

Except Mrs. Neelam Shorewala, Mr. S.P. Shorewala, Mr. Satish Shorewala and Mr. Rohit Shorewala, no other director, key managerial personnel or their relatives, are interested in or concerned with the said resolution.

The Board commends the resolution set forth in Item no. 4 for the approval of the members.

By order of the Board  
**For ABC Gas (International) Ltd.**

**S.P. Shorewala**  
**Chairman**  
**DIN:-00088077**

Date:-13.08.2016

Place:-Mumbai

**Registered Office:**

1 Mahesh Villa, B.G. Kher Road,  
Worli, Mumbai - 400 018

**REPORT OF THE BOARD OF DIRECTORS**

To,  
The Members

Your Directors have pleasure in presenting the Thirty Sixth Annual Report of your company together with the Audited Statements of Accounts for the year ended **31<sup>st</sup> March, 2016**.

**FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY (STANDALONE)**

<b>Standalone (Rupees)</b>		
<b>Particulars</b>	<b>2015-2016</b>	<b>2014-2015</b>
Total Income	2,50,69,935	4,51,81,302
Total Expenditure	2,75,22,461	4,36,59,011
Profit/(Loss) before taxation	(22,75,164)	16,99,653
Provisions for tax	(70,777)	1,47,688
Profit/(Loss) after taxation	(22,04,387)	15,51,965

**BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR**

During the year under review, the Company earned a total revenue of Rs.2,50,69,935/- against Rs. 4,51,81,302/- of the previous year. The loss after tax incurred by the Company for the year under review has been Rs. 22,04,387/- against the profit after tax of Rs. 15,51,965 /- achieved by the Company.

**CHANGE IN NATURE OF BUSINESS**

There is no change in the nature of business of the Company.

**TRANSFER TO RESERVES**

The company has not transfer any amount to reserves.

**MATERIAL CHANGES & COMMITMENTS**

During the year there were no material changes and commitments affecting financial position of the company.

**DIVIDEND**

Due to loss during the year, your Directors are unable to declare any dividend for the year ended 31<sup>st</sup> March 2016.

**DEPOSITS**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**SHARE CAPITAL:**

Presently, the Share Capital of the Company is Rs. 1,98,00,000/- divided into 19,80,000 Equity Shares of Rs. 10/- each.

**CORPORATE GOVERNANCE:**

In terms of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, compliance relating to Corporate Governance, is not applicable for the Listed Company having paid up equity share capital not exceeding Rs. 10 crores and net worth not exceeding Rs. 25 crores on the last day of the previous financial year.

As your Company's paid up equity share capital is not exceeding Rs. 10 crores and net worth not exceeding Rs. 25 crores, Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 are not applicable and do not form a part of this Annual Report.